

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

## 32. RELATED PARTY TRANSACTIONS (continued)

		THE GROUP		THE COMPANY	
		2022 MUR '000	2021 MUR '000	2022 MUR '000	2021 MUR '000
(vii)	<b>Outstanding balances</b>				
	<i>Receivables from related parties</i>				
	Subsidiaries	–	–	<b>40 937</b>	<b>144 278</b>
	Enterprises in which ultimate holding Company has significant interest	<b>73 158</b>	<b>69 609</b>	<b>73 158</b>	<b>69 609</b>
	Fellow subsidiary	–	–	–	–
	<i>Payables to related parties</i>				
	Subsidiaries	–	–	<b>4 665</b>	<b>4 826</b>
	Enterprises in which ultimate holding Company has significant interest	<b>5 189</b>	<b>2 095</b>	<b>5 189</b>	<b>2 095</b>
	Fellow subsidiary	<b>3 477</b>	<b>196</b>	<b>3 477</b>	<b>196</b>

The balances have been netted off in the statements of financial position and not in the related party disclosures. The outstanding receivables in the related party disclosure have been reported with expected credit losses.

Sales of goods or services to related parties were made at the Group's usual list prices. Purchases were made at market prices.

The amounts outstanding are unsecured, interest free and will be settled in cash. No guarantee has been given or received. Except for an amount of MUR 116.1m (2021: MUR 194.6m) previously recognised as impairment loss in respect of amounts due from subsidiaries and associates, no other expense has been recognised for bad or doubtful debts in respect of the amounts owed by related parties.

Compensation to Key Management Personnel is borne by a subsidiary of the intermediate holding company.

## 33. CAPITAL COMMITMENTS

		THE GROUP		THE COMPANY	
		2022 MUR '000	2021 MUR '000	2022 MUR '000	2021 MUR '000
Capital commitments contracted for and not provided in the financial statements:					
Property, plant and equipment		<b>67 545</b>	<b>33 598</b>	<b>62 584</b>	<b>28 637</b>

## 34. CONTINGENT LIABILITIES

At 30 June 2022, the Group and the Company had contingent liabilities in respect of bank guarantees of MUR 76.8m (2021: MUR 95.9m) arising in the ordinary course of business. The Group and the Company have not made any provisions for this liability as directors consider the probability of the liability to be uncertain.

## 35. RUSSIA-UKRAINE WAR

The geopolitical situation in Eastern Europe intensified in February 2022, with Russia's invasion of Ukraine, which is still ongoing as at reporting date. The war between the two countries continues to evolve as military activity proceeds and additional sanctions are imposed. The economic impact of the war depends on several variables that are difficult to predict.

Although the Group and the Company do not have any direct operations in Russia or Ukraine, the war has caused supply-chain disruptions for some of the raw materials, freight, and increased transportation delays. Management is following the situation and is applying rigorous demand planning of raw materials with increased stock level where necessary to mitigate this risk. Management is also developing back-up suppliers for raw and packaging materials with a specific focus on geopolitical risks.

### Going concern

Management concludes that there are no uncertainties on the Group's and the Company's activities resulting from the impact of the Russia-Ukraine geopolitical conflicts.

## 36. SUBSEQUENT EVENTS

There are no significant events after the reporting date which require adjustments or additional disclosures in the financial statements for the Group and the Company.